

**Verizon New England Inc.
d/b/a Verizon Massachusetts**

Commonwealth of Massachusetts

D.T.E. 01-20 (Part A-A)

Respondent: Thomas Mazziotti
Title: Senior Staff Consultant

REQUEST: Technical Session

DATED: March 5, 2003

ITEM: TS Request-2 Assume a facility-based carrier is launching a CNAM query. If a Verizon customer calls a CLEC's customer and the CLEC launches a query to your database, what would be the charge? If Verizon doesn't have one now, would Verizon propose to offer one.

REPLY: CNAM query is not currently available under tariff in any Verizon state. Rather, upon specific request by a CLEC, CNAM will be made available under contract. Verizon MA did not file costs for CNAM in its May 8, 2001 TELRIC filing, and no party proposed such an offering during the case.

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D.T.E. 01-20 (Part A-A)

REQUEST: Technical Session

DATED: March 5, 2003

ITEM: TS Request-5 Please provide UNE-P rates by density zone, and indicate minute of use assumptions.

REPLY: Please see the chart below containing UNE-P rates for analog 2 wire loops by density zones:

Loop (Per Month)		Port	UNE-P*
Statewide	\$15.26	\$2.73	\$17.99
Metro	\$12.28	\$2.73	\$15.01
Urban	\$12.42	\$2.73	\$15.15
Suburban	\$16.85	\$2.73	\$19.58
Rural	\$26.47	\$2.73	\$29.20

*Only includes the monthly loop and port charge and not usage and other charges

Please also see Attachment A regarding usage assumptions and the combined totals shown in the attachment. Verizon MA considers the usage assumptions contained in the attachment to be proprietary and competitively sensitive, and will provide this information to parties subject to the terms of a mutually acceptable Protective Agreement.

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D.T.E. 01-20 (Part A-A)

Respondent: Bruce F. Meacham
Title: Group Manager – Witnessing

REQUEST: Technical Session

DATED: March 6, 2003

ITEM: TS Request-6 Why or what directive in the order did Verizon rely on to make that change between the cost study as seen by the Department and its compliance filing regarding a labor rate for the three-year window, 2002, 2003, and 2004.

REPLY: Verizon MA changed the window for calculating labor rates from 2 years to 3 years to comply with the Department's order.

First, this was necessary to reflect the Department's directive that the **recurring and NRC models for UNEs should be based on the same network assumptions**.

Second, the Department also ordered "...Verizon to use a productivity offset of 4.5 percent for each of the years, 2002 through 2004, and to re-run VCost with this adjustment" (July 11 Order, at 112). The Department directed Verizon MA to make this adjustment to recognize the effect of merger costs and savings on future productivity, and to shift the study period forward by an additional year. Thus, because the recurring and non-recurring studies must reflect the same forward-looking network, any assumptions as to future productivity improvements must apply to both recurring and non-recurring costs. Verizon MA therefore adjusted the labor rate calculations to reflect the new three-year planning period directed in the July 11, 2002 Order, in order to keep the recurring cost models and the non-recurring cost model consistent.

If the time periods for the recurring cost models and the NRCM are not in synch, then the underlying network assumptions as well as the assumptions relative to productivity-enabling technologies would be out of synch.

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D.T.E. 01-20 (Part A-A)

Respondent: Bruce Meacham
Title: Group Manager – Witnessing

REQUEST: Technical Session

DATED: March 6, 2003

ITEM: TS Request-7 Please provide a supplemental NRC study that reflects task time adjustments specifically ordered by the Department for hot cuts on those same task times that may be required for the provision of other UNEs.

REPLY: Please see the attached CD. This CD is being provided to parties that participated in the compliance phase of this proceeding.

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Commonwealth of Massachusetts

D.T.E. 01-20 (Part A-A)

Respondent: Michael J. Anglin
Title: Director – Service Costs

REQUEST: Technical Session

DATED: March 6, 2003

ITEM: TS Request-8 Please explain one source that showed a \$9.2 billion telephone plant in service and a separate document that shows a \$9.4 billion ledger amount

REPLY: The \$9.2 billion figure that was used in the December 2001 FLC calculation attached to Verizon MA's Recurring Panel Surrebuttal Testimony did not include values for the following accounts:

Account	Description	1999 Investment
2112	Motor Vehicles	\$40,750,497
2114	Special Purpose Vehicles	\$34,112
2115	Garage Equipment	\$1,608,265
2116	Oth. Work Equipment	\$73,836,792
2122	Ofc. Furniture	\$9,230,356
2122	Artworks	\$34,171
2123	Ofc. Support Equipment	\$21,392,752
2123	Official Comm. Equip.	\$86,338,822

These accounts were not included in either the numerator or denominator of the 2001 FLC calculation. Verizon MA explained in its December 2001 Recurring Panel Surrebuttal Testimony that the support investments required for a complete FLC analysis were not included. (See Exhibit VZ 38 at 8-9)

The FLC calculation submitted with the February 2003 compliance filing contains values for these accounts in both the numerator and denominator. (Also see the files "Mass – FLC Development (Jan 2003).xls" and "Mass – FLC Development Backup.xls" submitted with the February 2003 compliance filing on CD2.)

VZ-TS# 8

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D.T.E. 01-20 (Part A-A)

Respondent: Bruce F. Meacham
Title: Group Manager – Witnessing

REQUEST: Technical Session

DATED: March 6, 2003

ITEM: TS Request-9 Are there any other instances of which the Department should be aware where there was not an explicit directive, but where Verizon did something of that nature, sort of changing a time period or going out? More specifically, other than specific instances such as inflation, where Verizon MA referred to Record Request DTE 52 that got incorporated into productivity and Merger savings, are there any sort of more general steps that Verizon did in order to complete its cost study that the Department should be aware of?

REPLY: Other than aligning the recurring and non-recurring three year planning periods for the cost compliance run (see Verizon MA's response to TS-6), Verizon MA made no other changes to its non-recurring cost study not specifically ordered by the Department.

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D.T.E. 01-20 (Part A-A)

REQUEST: Technical Session

DATED: March 6, 2003

ITEM: TS Request-10 Please identify all the applicable monthly charges that will be assessed by Verizon MA that are referenced in Part M, 11, Section 3.1.7 when a facilities-based CLEC orders SS7 A links, pursuant to Part C, Section 1.14.7, and the associated STP ports.

REPLY: Verizon MA believes the correct reference above should be Part M, Section 3, 3.1.7.

The following monthly items, from Part M, Section 3, 3.1.7, would be assessed by Verizon MA when a facilities-based CLEC orders SS7 A links, pursuant to Part C, Section 1.14.7, and the associated STP ports.

Links

STP -Signaling Link-Monthly-Per Mile \$0.0576
Total monthly charge varies based upon miles to CLEC Location
(per link)

STP -Signaling Link-Monthly-Per Pair \$17.36
Fixed rate per pair of signaling links

STP Ports

STP Port- Monthly-Per port Terminated \$185.76